

Río Nuevo Master Plan

The Vision and the Plan

“The vision for Rio Nuevo is the creation of a network of unique experience areas, linked by shaded plazas which connect new cultural, civic, entertainment and business uses interwoven in a historically accurate and aesthetically pleasing manner throughout the Rio Nuevo District.”

“Tucson evolved as a community of cultures intimately connected to the mountains, the Sonoran Desert, and its rivers. As the City has grown, these connections have become tenuous, and the community is now working to re-establish them, beginning with the core of the City.”

“It is our firm belief that many of the projects evaluated herein can be designed, constructed, and launched into operation within the 10-year window, effectively implementing the Master Plan, thereby enhancing the City of Tucson with exciting, culturally rich, and economically sustainable development. It can also succeed at strengthening neighborhoods, and restoration of the natural environment that is of central importance to the heart and soul of Tucson.”

The Master Planning Team

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I. Executive Summary

- **The Río Nuevo Master Plan, 10-Year Development and Long-Range Vision is a comprehensive study** that delves into the sociology and economy of Tucson, and weaves a rich cultural past together with a vibrant economic future. The boldness of the Río Nuevo Master Plan is testament to its strong neighborhoods, visionary citizens, and the commitment to success as evidenced by the City of Tucson. The Plan's implementation will define the future face of Tucson, while at the same time returning the people to their culture and roots. The opportunity created by Proposition 400 is maximized by the Río Nuevo Master Plan.
- **Outreach efforts have been very substantial** and have resulted in significant community input for the Río Nuevo Master Planning Project. Mailings have reached more than 5,000 area neighborhood residents and 600 groups and individuals that expressed interest in the Project. The public outreach program included numerous multi-neighborhood planning meetings and Citizens Advisory Committee meetings, three major Public Forums, and two multi-day public design and landscape design workshops. Outreach was done in both English and Spanish, including meeting notices and handouts. Meetings have included Spanish translation and sign language for the hearing impaired.
- **Community input** has been received in a number of ways, including comment sheets provided at public forums, as well as lengthy question and answer periods following public presentations. In addition, the consulting team interviewed more than 160 individuals associated with Tucson institutions, organizations, associations, businesses, public agencies, multi-cultural groups, and others, to gain information and insight. A series of three Design Workshops were attended by approximately 100 people each, with workshops lasting from four to five hours. The sessions broke into small groups with a member of the Master Plan team participating in each. Presentations by the "citizen planners" from each of the six to seven groups, including their own often extensive and detailed sketches and drawings, culminated each workshop. It was through the public outreach and interview process that **consensus on the vision** for Río Nuevo was reached, and a host of exciting projects emerged to be incorporated in the Plan.
- **The Master Plan Team acknowledged** community input in a number of ways. First, notes of questions and comments from public meetings were included in Technical Memoranda. Local media also conveyed community

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responses and reactions. Subsequent meetings enabled the Team to convey aspects of the Plan development that had been initiated or influenced by previous community input. Overall, there has been great interest in this project demonstrated by large attendance at meetings, and community response appears predominantly positive.

- **Concerns expressed** during the course of the planning process were **translated into positive** action by the team that resulted in four primary tenets of the Río Nuevo Master Plan:
 - Protect the Neighborhoods
 - Revere the Environment
 - Be True to Tucson's Heritage
 - Invigorate the Downtown.

- These tenets were further expanded as the team identified the following themes of public consensus:

What Is Desirable:

- New Residential Opportunities
- An Exciting Mix of Cultural Attractions
- Arts & Entertainment/Restaurants/Retail
- A Pedestrian-Friendly Environment
- Abundant Natural Landscaping

What Is Not Desirable:

- Traffic Impacts on Neighborhoods
- Fake or Intrusive Design Concepts
- Development that's Out-of-Character or Out-of-Scale for Tucson.

- At the approximate mid-point of the planning process, the team was able to cite an understanding of certain key determinants of the evolving plan. These were as follows:

What We've Learned

- Substantial, but not unlimited, market strength will drive new development including a mix of residential products in and around downtown.
- Historic and cultural themes can be woven into the Master Plan as physical development.

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- Limited Rio Nuevo TIF monies will need to be judiciously allocated to ensure leveraging of private sector investment.
 - The Santa Cruz River can be restored in terms of riparian stabilization and beautification, limited water flow, and greening. It is not feasible to contain, or otherwise create, a large body of water.
 - **Major changes** to I-10 (both currently planned and those which may be desired) will be **pursued over the long term**. Recommendations for such change, and other monumental public works projects, are not appropriate for the Rio Nuevo Master Plan 10-Year Development Plan, but are treated in the Long-Range Vision Plan.
 - **A critical mass** of cultural attractions and other new development on the East Side is both desirable, and necessary, for downtown revitalization and leveraging of multiple new projects.
 - A cultural park environment that includes **significant visitor attractions** and an appropriate representation of Tucson's origins is both desirable, and necessary, for revitalization of the West Side.
 - The Broadway Corridor is **economically healthy**, and can host mixed use development on various opportunity sites. Conversion of under-performing properties to new, highest and best uses should be encouraged.
 - **Connectivity** between Broadway and Downtown, west of I-10 and east of I-10, will be addressed through visual, programmatic, and physical linkages. Transportation, access, and parking will be addressed on multiple levels with careful attention to neighborhood impacts.
- At the second public forum in early December, the planning team presented three different **experience areas** that would be linked in a mutually reinforcing manner. These different experiences were:
 - An **historical/cultural park experience** mostly on the west side of I-10 which provides an enjoyable park-like environment for important elements like the restored Convento and Mission Gardens, Arizona State Museum and Arizona Historical Society, Rancho Chuk-Shon, an International Mercado, new and renovated residences, and a convenient reception/orientation facility for first-time visitors, and other cultural attractions around a central plaza.

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- A more intensively developed **urban/cultural experience** largely on the east side of I-10 organized around an exciting new central plaza that becomes Tucson's new "town square." New Cultural facilities that generate higher levels of usage would be clustered around the plaza with new retail and restaurant facilities, a new headquarters hotel for the renovated TCC, with convenient parking adjacent to and beneath the plaza.
- Renovation and upgrading of existing and new buildings along Congress and Pennington Streets, transforming Downtown Tucson's traditional retail district into an expanded and improved **arts and entertainment experience** with the renovated Fox and Rialto theatres as anchor attractions.
- All three experience areas will have new and renovated "**Plazas and Plazuelas**" with shade and water and other user-friendly features. The plazas and plazuelas will be linked by new and improved "Calles de Verde" which favor pedestrians over vehicles (yet allow vehicles to be accommodated and parked), plus vehicle-free pedestrian ways and an extended trolley line which is fun to ride and serves to take vehicles off the streets. All three experience areas **will also feature new cultural attractions, new businesses, new and renovated residential development** that can be supported in the market place, and design sensitivity to authentic historic origins and appropriate building scale.
- An assessment of historical land use patterns in downtown Tucson, and a close study of photographs, drawings, and records were conducted by the Team, and utilized in conjunction with extensive input from preservationists and neighborhood groups to begin re-weaving the urban and community fabric that was torn during Urban Renewal and other periods of dislocation that preceded it. **The mandate for connecting east and west areas** of the City was also taken up by the Team and incorporated into the planning process. Environmental and hydrologic assessments were also conducted and the findings assimilated. These efforts resulted in additional projects, infrastructure, and design recommendations being incorporated into the Master Plan.
- Several technical **transportation, parking, and access** work tasks were completed during the course of the Master Planning process, and the following are summarized recommendations that emerged:

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- There is a need for a shuttle or shuttles serving Río Nuevo that are separate from SunTran.
 - SunTran's routes generally should end at the Ronstadt Transit Center and/or a new transit station near Congress and I-10, and feed the shuttle system from those locations.
 - The historic trolley should be extended from Fourth Ave. through downtown to Río Nuevo.
 - A connecting shuttle to between 7,000 and 9,000 parking spaces both north and south of Río Nuevo that would bring parking patrons to their destinations in Río Nuevo is recommended.
 - Extending/reconnecting Mission Lane across the Santa Cruz River and under I-10 to connect with Simpson St.
 - Closing Mission Road between Mission Lane and Star Pass Boulevard.
 - Penetration of I-10 with a pedestrian underpass.
 - Extension of Clark/Cushing from the TCC to Mission Road.
- **International opportunities** and challenges associated with the Río Nuevo Master Plan were identified, evaluated, and addressed through various recommendations including the establishment of an International Mercado. The impact of globalization is highly significant to Tucson with its established relationships and relative **close proximity to Mexico and access to Central America**. The large volume of trade and persons that pass through nearby border crossings, the potential demand for goods and services produced in Tucson, and the resulting development are all opportunities. The potential represented by such public policy directives as the North American Free Trade Agreement (NAFTA) and the CANAMEX Corridor initiative is another source benefit to Río Nuevo. Interaction between these policies, and programs in Tucson such as the Tucson-Mexico project may result in project funding, as well as new business and commercial opportunities. For example, CANAMEX has expressed interest in participating in the development of the Tucson Regional Visitor Center.
 - The Tucson Regional Visitor Center can become **an attraction in its own right** if the development approach incorporates some of the valuable elements described in case studies done by the team on such facilities as the Grand Canyon National Park, the Canyon View Information Plaza, Heritage Education Campus, and the Smithsonian Museum Visitor Center in Washington, DC. These and other centers show how the environment, culture,

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- education, and information can be blended into the visitor experience. A complex that links Tucson visitors to important historical museums, cultural parks, restaurants and shops, will also provide **regional marketing opportunities**.
- The proposed Río Nuevo Master Plan building program outlined herein is subject to **several important caveats**:
 - All projects that seek or require funding related to TIF allocations will be subject to a process that evaluates their economic and financial feasibility, and subject to capitalization and development hurdles of varying magnitude.
 - As with the economic and financial screening process, another process that includes cementing of neighborhood support, as well as public and political support, will also be applied to the projects outlined herein.
 - It is important to recognize the synergy between recommended projects, and to appreciate the leveraging and phasing aspects of the plan. Also, it is important to see the big picture with regard to revitalizing downtown, reconnecting the City, and creating a future for Tucson that also reflects its past. The true vision for Río Nuevo grew out of our work process, and this building program represents key development components of that multi-faceted future.
 - Recommendations that will play a role in creating the **Río Nuevo Experience** also include:
 - Use of historic names for streets and paths
 - Design guidelines that recreate the scale of buildings 50–100 years ago
 - Appropriate materials such as brick and stucco for most new structures
 - Building height and orientation to provide shade
 - Sufficient parking structures to accommodate all parking requirements in the Río Nuevo District
 - Interlinked plazas and plazuelas using existing and new public spaces
 - Portales, awnings, and trees to shade sidewalk areas
 - Plazas for exhibit space and outdoor dining
 - Trees around and, in some cases, within plaza areas

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- Traditional fountains in plazas
 - Shade and cooling towers in plazas
 - Tree-lined roads and pedestrian ways throughout the District
 - Native deciduous trees such as Cottonwood, Arizona Ash, and Arizona Walnut along the Santa Cruz River and the alamedas
 - Use of water harvesting techniques and reclaimed water for irrigation
- **The projects proposed in the Rio Nuevo Master Plan**, and their general suggested locations, **are based on a combination of factors** including physical and economic determinants, historic and cultural themes, neighborhood and other public input, and the team's effort to produce a functional Plan that effectively leverages the Rio Nuevo TIF opportunity, and at the same time fairly accommodates the goals and objectives of the people of Tucson, and the various work efforts that have preceded the Rio Nuevo Master Plan Project now underway. The Rio Nuevo Master Plan development program which **survived the rigorous review and analysis process** includes the following elements:

Master Plan Components – Proposed Projects

Cultural

Sonoran Sea Aquarium
Fox Theatre Restoration
Tucson Regional Visitors Center
Rialto Theatre Restoration
Tucson Origins Cultural Park
Sentinel Peak Nature Park
Rancho Chuk-Shon
Presidio Heritage Park
TMA Gallery/Restaurants
Tucson Science Center

Outdoor Performance Area
Tucson Children's Museum
Arizona State Museum
Arizona Historical Society
Native American Museum
ASD Museum Expansion
El Centro Cultural
Museum Lecture Hall
Exhibit Hall

Residential

Affordable Housing
CoHousing Development
Senior Housing
Market-Rate Single Family
Special Opportunity Housing

South Plaza
Lander Expansion
No. Central Plaza High-End Resid.
South Cushing Residential
Residential Between La Placita/TCC

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Commercial

Tucson Intermodal Center
Urban Entertainment Center
Various Retail/Restaurant
Broadway Dev. E. of 4th Underpass
Large Format Theater
Headquarters Hotel

Conference Center/TCC Lobby/Pkg.
International Mercado
City Hall Annex Site Mixed Use
High Rise Opp. Mixed Use Office
Presidio Hotel Expansion
GSA Mixed Use

Infrastructure

Various Parking
Santa Cruz River Restoration
Reclaimed Water Infrastructure

Transportation Infrastructure
Utility Infrastructure
Trolley

- **A detailed market analysis** was performed that evaluated the potential for new residential, retail, office, lodging, convention and cultural development in Tucson. This analysis showed substantial market strength and a growth curve that support recommendations for projects delineated in the Plan. With Tucson's population expected to increase 33% over the next 20 years, 6,000 dwelling units are expected to be constructed annually with perhaps as many as 1,000 sited in the Río Nuevo District. Demand for new residential, retail and commercial space in the downtown is tied, in part to the successful implementation of the Río Nuevo Master Plan 10-year Development Program.
- In terms of **economic sustainability**, Hunter Interests Inc. believes there is sufficient market strength to support a critical mass of cultural attractions in Río Nuevo, particularly as several project proposals are local institutions with successful histories. Indeed, it will be the addition of new and exciting attractions that enable the whole to become greater than the sum of its parts in terms of market capture. This dynamic will in turn **leverage demand** for downtown residential units, provide support for new restaurants and shops, and contribute to long-term sustainability.
- **There is limited funding** available for all of the capital campaigns associated with the cultural projects covered in the Master Plan. The Río Nuevo TIF District will also generate a finite amount of funding that must be leveraged for a host of public and private sector development. Wherever possible, the Master Plan **recommends partnering, space sharing, and efficient use of infrastructure and other resources** between projects. The burden of economic sustainability begins in the project-planning phase, and while

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demographic, economic, and market forces are generally positive in the Tucson area, we submit that difficulties with project capitalization represents a greater threat to success than any limitation of visitation potential.

- Analysis of the data included in **47 Río Nuevo Project Evaluations** indicates the Río Nuevo Master Plan—10-Year Development Program can be implemented, and would utilize approximately \$70 million in TIF-generated funds, \$309 million in other public support (including the required TIF matching funds, Federal, State, and local funds, public financing, and other sources), \$74 million in Philanthropic support of various kinds, and approximately \$304 million in private investment. The total capital cost of projects evaluated in the Master Plan is approximately \$757 million.
- The list of projects evaluated includes **19 Cultural Projects** with a total development cost estimated at \$182 million, **10 separate Residential Projects** with a total estimated development cost of approximately \$33 million, **12 Commercial Projects** with a total estimated development cost of \$308 million, and various **major infrastructure improvements** with a total estimated cost of approximately \$235 million. It is important to note that some projects will only begin design at the conclusion of the 10-year development period, others will not get built at all, some projects which are as-yet unplanned will be built, and still others (primarily infrastructure) will continue to evolve into Phase 3 of the Río Nuevo Master Plan—Long Range Vision.
- It is our firm belief that many of the projects evaluated herein can be **designed, constructed, and launched into operation within the 10-year window, effectively implementing the Master Plan**, thereby enhancing the City of Tucson with exciting, culturally rich, and economically sustainable development. It can also succeed at strengthening neighborhoods, and restoration of the natural environment that is of central importance to the heart and soul of Tucson. At the same time, implementation of the Master Plan will achieve significant reinvestment in the downtown, provide many new business and job opportunities, and contribute directly to overall revitalization.
- Approximately 32 projects are currently characterized as starting in **Phase 1 (first 5 years)**, 12 are considered **Phase 2 (second 5 years)**, and one (the full trolley extension) is placed in the context of **Phase 3 (the following 10 years)**. Phase priority is based on interaction with project proponents, the public (including neighborhood groups), and the City of Tucson, as well as on the HII consulting team's professional judgment. Again, it is not anticipated

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that all projects will be completed within their designated phase, but may otherwise receive initial funding for development in these time periods. Also, ultimate phased development activity may vary from the long-range forecast as some projects will mature more quickly and others will fade. However, the Río Nuevo Project Matrix (see Appendix) illustrates a possible sequence for further evaluation by the Río Nuevo Multipurpose Facilities Board, City of Tucson, Citizens Advisory Committee, Mayor and Council, etc.

- **The economic flows** associated with an implemented Río Nuevo Master Plan are manifold, and comprise a **new and significant source of support** for downtown businesses, as well as broader impacts on the Tucson region. The Río Nuevo Master Plan Economic Flow Model estimates two key measurements of economic impact, i.e., capital investment and direct annual output. Phasing and time are also important elements of the whole Río Nuevo Master Plan, and have an overall effect on the economic and fiscal impacts that are projected. In order to imbue the economic discussion with these factors, we have summarized the estimated capital investment and direct output activity of the different development sectors over a 20-year build-up that includes Phases 1, 2, and 3. See Appendix.

Totals achieved within the 20-year span are estimated as follows:

- **Cultural** — Estimated total within the Río Nuevo District will reach 600,000 square feet, resulting in \$180 million in total capital costs, and driving \$1.2 billion in total direct output.
- **Residential** — Estimated total will be approximately 1 million square feet, or 1,000 units, resulting from \$95 million in capital investment, and driving approximately \$665 million in direct output over 20 years.
- **Commercial** — Estimated total will be 1.5 million square feet, resulting in \$300 million in private sector investment in construction, and driving \$3.2 billion in total output.
- **Infrastructure** — Estimated total of 1.5 million square feet, resulting in \$225 million in costs, and providing \$7.5 million in output over three phases of development.
- **Total** at the conclusion of Phase 3 is projected to be approximately 4.6 million square feet, would be the result of \$800 million in investment, and produce over \$6 billion in total output over the 20-year period.

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- Based on the projected build-up in the Río Nuevo District over the next 20 years, and the extrapolated estimates of capital investment and out-put summarized above, the **Río Nuevo District will produce an average of \$300 million in direct economic impact annually**. Other key impact potentials are summarized below.
 - Over the next 10 years, approximately **\$450 million** in commerce that is subject to state sales tax will be generated by new projects in Río Nuevo.
 - The potential contribution to the Río Nuevo TIF from this activity is estimated to be approximately **\$22 million**, with **\$11 million** from State sales tax, and **\$11 million** in matching City funds.
 - More than **6,000 construction jobs**, and **4,000 full-time (full-time equivalent —FTE) jobs** will be created.
- Without question, the Río Nuevo Master Plan—10-Year Development Program will **generate significant positive economic impacts** within the District itself, the greater downtown area, and indeed the entire region. There will also be fiscal costs associated with implementation of the plan, and some redistribution of expenditures from within the market. Therefore, the net positive economic impact would be something less than the aggregate of all impacts summarized above. On balance, we feel the economic flows suggested above are achievable, but will **require decisive action early** to create the necessary market and development synergies.
- Many cities that have successfully undertaken development and revitalization programs that are similar to Río Nuevo have concluded that a **special purpose implementation organization is necessary**. These conclusions have regularly been reached in programs of all sizes, but they are particularly prevalent in large-scale programs like Río Nuevo. Simply stated, the magnitude of the implementation program, and the complexity of various projects involved in the implementation process, have required a single, special purpose organization in the eyes of many of these city governments and their business/community leaders.
- After considering a number of organizational options, the planning team recommends that the **City of Tucson establish a new, single-purpose development corporation** that would be charged with the primary implementation responsibility for the Río Nuevo Master Plan. The Río Nuevo Development Corporation (RNDC) would be incorporated under the non-

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profit laws of the State of Arizona, and would seek IRS certification as a 501(c)3 corporation. The board of directors would be appointed by the Mayor and City Council and the Río Nuevo Multipurpose Facilities District Board, and would be drawn from Tucson business/community leaders. Governmental representatives could be on the board, as well as representatives of the Río Nuevo Multipurpose Facilities District, and other prominent involved organizations. The board members would be business/community leaders who would contribute their time and experience as a **civic contribution** to their City.

- **Implementation** of the Río Nuevo Master Plan is programmed to occur during **three time periods**. Phase 1 projects are actions that would be initiated immediately and generally would be accomplished during the first five years of Plan implementation. Phase 2 projects would follow, and are generally scheduled for years 5 through 10, or the second half of the 10-year Tax Increment Financing period. Phase 3 projects would occur later, after implementation of the 10-year Development Plan, and would generally implement additional recommendations that are shown in the Long-Range Vision Plan.
- Projects initiated in each development phase may not be completed within that phase, but the present intention is that they be funded and initiated during that phase. **Many Phase 1 projects are already under way or in the detailed planning stage.** The Phase 1 program consists of 11 cultural projects, eight residential projects, 10 commercial projects, and 5 infrastructure projects. During Phase 2, the second five years of implementation of the Río Nuevo 10-Year Development Plan, an additional 11 projects would be initiated and 2 Phase 1 commercial projects would be continued. The Phase 2 program includes seven cultural projects, two residential projects, and two additional commercial projects.
- **Phase 3** includes additional projects that are part of the **Long-Range Vision Plan**, including possible expansion of the TCC exhibit area, expansion of the convention headquarters hotel through construction of its second phase tower, continuous development along the Broadway corridor, completion of the trolley system, and progress on eventual implementation of depression of Interstate 10, as shown in the Long-Range Vision Plan drawing.
- The Río Nuevo implementation program also includes a **series of recommended actions that should be undertaken to assist implementation** of the Río Nuevo Master Plan. Included are eight specific recommendations for action in the Broadway corridor, five additional downtown Tucson actions, six additional actions that pertain to the overall Río Nuevo District, as well as

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recommendations related to the overall image of Tucson and an ongoing process to review and update neighborhood plans. An important immediate action project of a management nature is the formation of a development corporation to oversee overall Río Nuevo plan implementation, as recommended in Technical Memorandum #19.

Summary of adjunct recommendations include the following:

City of Tucson

- propose development of image for City of Tucson that incorporates Río Nuevo project, central core and downtown.

Broadway

- Identify Broadway as Tucson Central Corridor for retail, employment and housing activity.
- Form a task force to inventory all land and ownership within the district. Inform owners of Master Plan. Promote reuse and redevelopment for high value housing, retail, and employment.
- Use city infrastructure as an incentive.
- Purchase right of way identified for Broadway.
- Improve intersections of Campbell Ave. and Tucson Blvd. with Broadway as soon as possible.
- Study land use and redevelopment potential within ¼ mile of corridor and ½ mile radius at park Place, Williams Center, El Con, Campbell/Broadway and downtown for population, employment and destination projections that support express bus as a preliminary step to Light Rail.
- Initiate a process for Design Standards on Broadway with District.
- Study and approve streetscape design standards for Broadway.

Downtown

- Amend LUC and building code per New Jersey to promote reuse of existing buildings.
- Approve third party approval for all LUC and building codes.
- Initiate a process for design standards for downtown.
- Initiate historic district designation for downtown.
- Propose consolidation of advisory boards and committees in downtown.

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- Propose revenue stream from for-profits to fund management entity.
- Propose marketing and operations entity for duration of Río Nuevo.
- Recommend priority projects in each district.

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- Recommend bonds.
- Recommend application process.

Proximate Neighborhoods

- Process to review and update neighborhood plans to emphasize residential and neighborhood commercial.